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RETAIL PRICES - DECEMBER QUARTER, 1960

1. CONSUMER PRICE INDEX

For current statistical purposes the Consumer Price Index replaces both the "C" Series Retail Price Index first compiled in 1921 and the Interim Retail Price Index constructed as a transitional index in 1954. The Consumer Price Index was first published in August, 1960, and has been compiled only for the six State capital cities. Consequently the section of this bulletin relating to the Consumer Price Index largely deals with variations in retail prices in Brisbane.

The Consumer Price Index measures quarterly for each capital city separately the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licenses, newspapers, postal and telephone services, hairdressing, dry cleaning and various other items. The index has been constructed with the year 1952-53 as base for each capital city individually and does not provide a comparison of the retail price level in any city with the retail price level in any other city. It has been calculated back to September quarter, 1948.

The various commodities and services have been combined into groups and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

A full description of the Consumer Price Index is contained in a bulletin (S.B.891) issued in January, 1961, by the Commonwealth Statistician.

During the December quarter of 1960 the Brisbane Consumer Price Index rose to 125.1 from 123.6 in the previous quarter, an increase of 1.2 per cent. This was the highest quarterly percentage increase shown by the index since September quarter, 1956, when abnormally high potato and onion prices and substantial increases in property rates largely contributed to an increase of 2.2 per cent. in the index. Compared with the December quarter of 1959, the index showed an increase of 3.6 per cent. over the twelve months, while the increase since the index base year, 1952-53, was 25.1 per cent.

The Food Group showed by far the largest group increase with the index rising from 126.9 in the previous quarter to 130.0, an increase of 2.4 per cent. The increase was mainly attributable to substantially higher meat prices together with rises in the prices of bread and milk. On the other hand, lower potato prices partly offset the effect of these increases.

There was an increase of 0.8 per cent. in the Clothing and Drapery Group, where the index rose from 114.1 in September quarter to 115.0, mainly due to higher prices for summer seasonal items.

The Housing Group showed an increase of 0.7 per cent. with the index rising from 136.1 to 137.0.

Prices were comparatively stable in the Household Supplies and Equipment Group where the recorded increase was only 0.1 per cent.

Higher rail fares were the principal cause of the 0.9 per cent. increase in the Miscellaneous Group with the index rising from 128.3 to 129.5

The group indexes, and the percentage change in each from the previous quarter, are shown in the following table.

Consumer Price Index - Total and Group Indexes - Brisbane
(Year 1952-53 = 100)

Quarter	Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscellaneous	All Groups
December, 1959 ..	123.4	111.4	132.2	110.5	125.6	120.8
March, 1960 ..	124.6	112.2	132.7	111.0	125.9	121.6
June, 1960 ..	125.3	113.9	134.0	110.9	126.2	122.3
September, 1960 ..	126.9	114.1	136.1	110.6	128.3	123.6
December, 1960 ..	130.0	115.0	137.0	110.7	129.5	125.1
Percentage Increase or Decrease (-) on Previous Quarter						
December, 1959 ..	-	1.1	0.5	0.4	0.7	0.5
March, 1960 ..	1.0	0.7	0.4	0.5	0.2	0.7
June, 1960 ..	0.6	1.5	1.0	-0.1	0.2	0.6
September, 1960 ..	1.3	0.2	1.6	-0.3	1.7	1.1
December, 1960 ..	2.4	0.8	0.7	0.1	0.9	1.2

During the December quarter, 1960, the Consumer Price Index showed a rise in prices in all capital cities, with the greatest proportionate increase in Brisbane. Percentage increases were as follows:- Brisbane, 1.2; Hobart, 1.0; Perth, 0.8; Sydney and Adelaide, 0.7; and Melbourne, 0.5. In Brisbane and Hobart the rise was predominantly in the Food Group, with meat the principal factor. In the other capitals the increases were largely attributable to the Housing Group.

2. THE "C" SERIES RETAIL PRICE INDEX

Although the "C" Series Index has been superseded by the Consumer Price Index for current statistical purposes, it will continue to be available for the present to industrial tribunals and other bodies and persons who desire it.

The "C" Series Index for Brisbane rose by 1.7 per cent. during the December quarter, 1960, compared with a rise of 1.6 per cent. for the weighted average of the five Queensland towns. Townsville recorded the greatest increase, 1.9 per cent., and Rockhampton the smallest increase, 1.0 per cent.

Food and grocery prices rose in the five cities during the quarter, with higher beef prices as the principal factor. Mutton prices increased in Brisbane and Toowoomba and pork prices in Bundaberg. Milk, bread, and tea prices also increased in all five cities, but the increases were offset to some extent by a fall in the price of onions and eggs in the five cities and lower potato prices in all cities except Townsville.

Clothing prices showed a slight general upward trend attributable mainly to items of women's clothing. The rent index rose slightly in three cities. Higher rail fares were reflected in the higher index number for the miscellaneous group.

"C" Series Indexes for Brisbane and other Queensland cities for recent quarters up to December, 1960, are shown in the table on page 4.

The following table shows the percentage increase in the "C" Series Indexes from various periods to December quarter, 1960.

"C" Series Retail Price Index - Percentage Increases, December Quarter, 1960

City		Increase from Year Ended June, 1953	Increase from Quarter Ended Dec., 1959	Increase from Quarter Ended Sept., 1960
Brisbane	..	29.7	4.2	1.7
Toowoomba	..	24.6	3.6	1.3
Rockhampton	..	27.2	3.4	1.0
Townsville	..	30.0	3.0	1.9
Bundaberg	..	28.6	3.7	1.7
Five Towns (Weighted Average)	..	29.2	4.0	1.6

From the year 1952-53 the "C" Series Index for Brisbane has shown a rise of 29.7 per cent., while over the same period the Consumer Price Index has shown a rise of 25.1 per cent. The indexes have moved differently as a result of the significantly different lists of items and weighting patterns, together with the disparate price changes that have occurred over the period.

3. COMMONWEALTH AND STATE BASIC WAGE RATES

Commonwealth and State basic wage rates are reviewed by the appropriate Industrial Authorities from time to time - in some cases at fairly regular intervals and in others as a result of special applications for variation of the wage rate. The last variation made by the Commonwealth Conciliation and Arbitration Commission was an addition of 15s. to the male basic wage with corresponding adjustments to the female and juvenile rates and operated from 11th June, 1959. In a judgment delivered on 12th April, 1960, the Commission rejected an application for a further increase in the Commonwealth basic wage.

The Queensland Industrial Court after its usual quarterly review of the State basic wage increased the male rate by 4s. and the female rate by 3s. to operate from 30th January, 1961. The Court, in a judgment issued on 2nd December, 1960, declared that the basic wage for adult females shall be not less than 75 per cent. of the basic wage for adult males, the declaration to be effective from 1st May, 1961.

Current Commonwealth and State basic wage rates are shown in the following table.

Basic Wage Rates - Australian Capital Cities

Capital City	Commonwealth Basic Wage			State Basic Wage		
	Males	Females	Date of Operation	Males	Females	Date of Operation
Brisbane	12 18 0	9 13 6	11.6.59a	14 0 0	9 14 0	30.1.61
Sydney	14 3 0	10 12 0	11.6.59a	14 17 0	11 2 6	1.2.61a
Melbourne	13 15 0	10 6 0	11.6.59a	13 15 0	10 6 0	22.6.59
Adelaide	13 11 0	10 3 0	11.6.59a	13 11 0	10 3 0	15.6.59a
Perth	13 16 0	10 7 0	11.6.59a	14 16 7	11 2 5	31.1.61
Hobart	14 2 0	10 11 6	11.6.59a	14 2 0	10 11 6	1.7.59a

a These rates operate from the first pay period commencing on or after the date shown.

S. E. SOLOMON
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THE "C" SERIES RETAIL PRICE INDEX

(Base for Each Section: Weighted Average of Six Capital Cities, 1923-1927 = 1000)

City	Year Ended Dec., 1959	Year Ended Dec., 1960	Quarter Ended -				
			Dec., 1959	March, 1960	June, 1960	Sept., 1960	Dec., 1960
1. Aggregate - All Groups							
Brisbane	2578	2671	2615	2630	2646	2680
Toowoomba	2521	2605	2555	2571	2591	2613
Rockhampton	2588	2675	2623	2640	2664	2685
Townsville	2728	2820	2781	2805	2798	2812
Bundaberg	2559	2644	2596	2609	2623	2649
Weighted Average Five Towns	2584	2675	2622	2638	2653	2683
2. Food and Groceries							
Brisbane	2972	3096	3016	3037	3043	3110
Toowoomba	2906	3009	2931	2961	2985	3021
Rockhampton	2996	3109	3038	3071	3088	3122
Townsville	3196	3301	3256	3313	3256	3268
Bundaberg	3044	3149	3099	3125	3108	3147
Weighted Average Five Towns	2986	3106	3030	3055	3058	3116
3. Clothing and Footwear							
Brisbane	3378	3504	3447	3464	3505	3511
Toowoomba	3392	3522	3459	3483	3523	3528
Rockhampton	3387	3506	3455	3466	3509	3514
Townsville	3386	3517	3461	3475	3516	3526
Bundaberg	3412	3536	3482	3496	3541	3542
Weighted Average Five Towns	3381	3507	3450	3467	3508	3514